

**Connecticut State Medical Society Testimony on**  
**Senate Bill 93 *AN ACT CONCERNING REVISIONS TO THE INSURANCE STATUTES.***  
**Insurance & Real Estate Committee**  
**February 16, 2010**

Senator Crisco, Representative Fontana and members of the Insurance and Real Estate Committee, my name is Matthew Katz, executive vice president of the Connecticut State Medical Society (CSMS). On behalf of our over 7,000 members, thank you for the opportunity to submit this testimony to you today on Senate Bill 93, *AN ACT CONCERNING REVISIONS TO THE INSURANCE STATUTES*.

The Connecticut State Medical Society has some significant concerns and reservations with various portions of this proposed bill, specifically tied to how it appears to limit the Connecticut Department of Insurance (DOI) regulatory reach associated with the monitoring of health plans and other entities, while further restricting consumer access to vital health plan and market-conduct information required to make informed decisions about health plans. Furthermore, CSMS believes that at a time when this committee and its chairmen have very publicly stated that they are interested in transparency, this bill is completely contrary to this goal: It creates the opposite of transparency within the DOI and prevents consumers of health insurance and their advocates, including physicians, from participating effectively in the regulatory review, appeal and approval processes.

CSMS strenuously opposes the provisions of this bill that serve to limit the public's right to critical information associated with CT DOI hearing and review processes and ostensibly prevent access to any information through Freedom of Information (FOI) requests. The very proposal, without historical evidence of how it has in any way compromised the work of the CT DOI, suggests a need to establish a shroud of secrecy and protectionism for health insurers. CSMS has first-hand experience with the need to request information from the CT DOI through use of FOI requests. CSMS has requested information from the CT DOI regarding its role in a national settlement with UnitedHealthcare, a company that the CT DOI recently permitted to purchase various components of HealthNet in Connecticut. The CT DOI is one of the lead regulators of this settlement which addresses previous violations of state laws around the country – including Connecticut – and requires United to maintain certain standards of practice and conduct. However, access to this information in Connecticut has been limited and almost completely restricted by the CT DOI. In fact, if one wants to see the actual settlement agreement with our state, or the amount of money United must pay for violations in Connecticut, one must ask officials in Nebraska or Iowa to provide it. Connecticut citizens should not have to ask, let alone go, to another state to find out about these settlement activities and how much revenue Connecticut has received or potentially will receive in the future. CSMS also questions where this money has gone and how it has been accounted for by the CT DOI; none of this information has so far been provided through an existing FOI request filed by CSMS. In fact, CSMS believes that the public should know about all monies received and collected by the CT DOI and

consumers of Connecticut. Under the terms of the legislation before you today, such FOI requests for what a reasonable person would call public information, could not be filed CSMS also opposes the language throughout this bill that restricts access to information to the CT DOI, a claimant and the insurance company in question. This provision is so overbroad as to completely restrict all complaint information, instead of what should be protected: a patient's sensitive personal health records. As written, this bill would limit, if not specifically prevent, a patient's family member, advocate or physician from participating in any advocacy on behalf of the patient, supporting the patient's rights, or questioning the health plan's actions and activities.

CSMS also believes that the CT DOI should be responsible for its actions and should be held accountable for the decisions it makes that are supposed to be in the best interest of the consumer. Allowing the CT DOI to exempt itself from culpability and liability signals its concern over previous and future review actions of health plans. The CT DOI, the commissioner, and all state employees whose responsibilities require engagement in a just, fair and equitable review of health plan business practices, including mergers, acquisitions and purchases, must be held accountable for their actions, or lack of action. In the absence of accountability, who is protected? The CT DOI or the consumer?

CSMS has some suggested revisions to this bill, including more fully opening up the hearing process of the CT DOI when there is a proposed acquisition, merger or dissolution of an insurance company or other entity for which the CT DOI has regulatory oversight. CSMS would also suggest that all interested parties requesting involvement be notified of the specific date by which necessary information is to be submitted in order to be heard at the hearing. No more should Connecticut consumers experience the cloak-and-dagger approach of the CT DOI in its announcements that speak of "days from" this or "days to" that: the CT DOI, like every other regulatory agency, should simply indicate the due date by day of the week and actual calendar date that materials are due so that there is no confusion, no controversy or no need for legal action simply to be heard during a hearing process that is supposed to allow all interested parties the right to participate fully. The present CT DOI's transparency of process is illusory at best.

We do support, however, the specific language indicating that the CT DOI can seek independent reviews by retained experts with expertise in matters associated with health insurance, health insurers and market conduct, but this information must be publicly available and presented at the time of any associated hearing or review, and the public must be permitted to question such material and question the expert retained or employed by the CT DOI. We further support additional funding for the CT DOI for this process of review. For the record, this would not entail additional taxpayer funds but levies on the insurers who are regulated by CT DOI.

At a time when we talk about full transparency and full access to state agency information to benefit of the public, this bill completely eviscerates access to pertinent public information. CSMS asks this committee to strenuously oppose the various portions of this bill that do nothing more than limit public access to essential information, limit the CT DOI's representation of the consumer, and prevent health care advocates from representing patients in their times of need.

Thank you for the opportunity to share these comments with you. We welcome any questions or comments.



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January 27, 2010

**VIA CERTIFIED MAIL**

**VIA OVERNIGHT MAIL**

**FREEDOM OF INFORMATION ACT REQUEST**

Connecticut Department of Insurance  
Custodian of Records  
P.O. Box 816  
Hartford, CT 06142-0816

Dear Custodian of Records,

Please consider this letter a request for records under the Connecticut Freedom of Information Act (the "Act") made pursuant to Connecticut General Statutes §1-200, et seq.

I hereby request copies of the following records and documents:

- Any and all Connecticut specific reports, records or documentation related to Unitedhealthcare's and Oxford Health Plan's (collectively, "United") compliance with the terms and conditions under the Market Analysis Working Group ("MAWG") regulatory settlement entered into on or about August 27, 2007 to which the Connecticut Department of Insurance ("DOI") is a party and has been designated as a "Lead Regulator" under the terms of such settlement.
- In connection with the DOI's role as a Lead Regulator, any and all national reports received by the DOI relating to United's compliance with the MAWG regulatory settlement in any of the 42 states that are a party to such settlement.
- Any and all emails, letters, faxes or other correspondence between DOI staff and United staff related to United's compliance with the MAWG regulatory settlement in Connecticut.

Pursuant to the Act, I request you provide me "prompt access" to the records I have requested. Further, if any of the records I have requested are exempt from disclosure, please identify which records will be withheld pursuant to which specific provision of the Act.

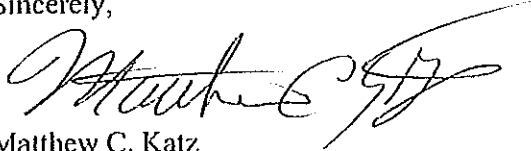
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In addition, pursuant to the terms of the Act, the maximum allowable charge for such records is twenty-five cents per page. Kindly provide an estimate of the costs of meeting the above request for records.

If you have questions concerning my request, please do not hesitate to contact me.

I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew C. Katz", with a stylized flourish at the end.

Matthew C. Katz  
Executive Vice President

cc: Thomas Ryan, Esq., Connecticut Attorney General's Office via email  
Arnold Menchel, Esq., Connecticut Attorney General's Office via email